IN THE HIGH COURT OF BOMBAY AT GOA

COMPANY APPLICATION NO. 91-N OF 2003

Official Liquidator ... Applicant

Miss Amira Razak, Advocate for the Applicant.

Mr. M. S. Sonak, Advocate for prospective buyers.

CORAM : P. V. HARDAS, J.

DATED : 18TH DECEMBER, 2003.

ORAL ORDER

This Court by its Order dated 7th November, 2003, had permitted the Official Liquidator to appoint Mr. K. L. Paraz as a valuer for valuation of the plant and machinery, land and building of the Company under liquidation. The Official Liquidator was permitted to make the payment of Rs.43,200/- as charges for the valuation. The fresh valuation was necessitated on account of the bids which had been received in response to the sale notice published in the newspapers. Earlier, Mr. R. C. Shukla had valued the plant and machinery at Rs.2,20,595/- and the land was valued at Rs.4,42,71,200/-. The building was valued at Rs.2,50,31,000/-. As against this valuation, in response to the tender notice published

by the Official Liquidator, M/s Classic Enterprises had submitted a bid of Rs.1,21,00,000/- for land and building and Apollo Equipments Pvt. Ltd. had submitted a bid of Rs.34,76,786/- for plant and machinery. In view of the variance between the valuation and the actual bids, this Court had granted permission to the Official Liquidator to get the assets revalued. Mr. K. L. Paraz, has valued the land at Rs.1,07,51,820/- and the building has been valued at Rs.1,22,84,939/-. The plant and machinery has been valued at Rs.23,04,00/. Since the bids submitted in response to the earlier advertisements fell short of the valuation of the property done by Mr. K. L. Paraz, the Official Liquidator was directed to readvertise the sale of land, building, plant and machinery.

2. As per the valuation of Mr. K. L. Paraz, the land, building, plant and machinery is valued at Rs.2,53,40,759/-. The Official Liquidator has filed an application namely Company Application No.91-N of 2003 in which it is stated that M/s Classic Enterprises, had given a revised offer for plant and machinery, land and building at Rs.2,10,00,000/-. After negotiating they had further increased the offer to Rs.2,15,00,000/-.

3. Mr. M. S. Sonak, learned Counsel on behalf of prospective buyers states that M/s Classic Enterprises has further increased their offer to Rs.2,17,00,000/- for the

purchase of plant and machinery, land and building.

4. Miss Amira Razak, learned Counsel appearing on behalf of the Official Liquidator has stated that in response to the earlier advertisements, M/s Classic Enterprises was the sole bidder for purchase of plant and machinery, land and building. According to the learned Counsel, as per the Official Liquidator publishing of the advertisement entails an expenditure of nearly Rs.1,00,000/- in addition to other expenses and the possibility of getting any higher bid than the one submitted by M/s Classic Enterprises is extremely remote. M/s Classic Enterprises, it is stated, was the sole bidder in response to the earlier advertisement.

5. Miss Razak, learned Counsel on instructions of the Official Liquidator states that the Secured Creditors had approved of the offer submitted by M/s Classic Enterprises.

6. In view of this, the Official Liquidator is directed to accept the offer of Rs.2,17,00,000/- submitted by M/s Classic Enterprises, for the purchase of plant and machinery, land and building.

7. Mr. Sonak, learned Counsel on behalf of prospective buyers states that 60 days time be granted to

M/s Classic Enterprises for payment of the entire amount. This offer is, therefore, accepted with a condition that M/s Classic Enterprises shall pay the entire amount of Rs.2,17,00,000/- within 60 days from today and on failure to pay the aforesaid amount within the stipulated period, the Official Liquidator shall refund any amount received by him from M/s Classic Enterprises without any interest and shall then readvertise the sale of the assets in the newspapers. The earnest money deposit of Rs.5,00,000/- paid by M/s Classic Enterprises in response to the bid submitted earlier to be adjusted in the sale price.

8. On receipt of the entire consideration the necessary deeds be executed. It is needless to add that M/s Classic Enterprises would be permitted to remove the plant and machinery only on payment of the entire consideration and after execution of the necessary deeds.

Copy of the Order duly authenticated by the Court Superintendent be given to the learned Counsel appearing on behalf of the Official Liquidator.

P. V. HARDAS, J.

RD.